GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:428
ANSWERED ON:26.04.2016
Fertilizer Subsidy
Singh Deo Shri Kalikesh Narayan

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the budget estimate for fertilizer subsidy in 2016-17 and the arrear accrued to the industry;

(b) the value of import of urea during the last year and the quantum of investment received by the sector during the said period;

(c) whether the Government plans to increase Urea prices by a fixed percentage every year, if so,the details thereof and the timeline for its implementation, if not, the reason therefor; and

(d) whether the Government plans to introduce Direct Benefits Transfer for fertilizer subsidy to small and medium farmers , if so, the details thereof and the timeline for implementation, if not, the reason therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS

(SHRI HANSRAJ GANGARAM AHIR)

(a) : The budget estimate for fertilizer subsidy in 2016-17 and the arrear accrued to the industry is given as under:

(Rupees in crores)

Particulars	Budget Estimates	Carry over liabilities
Indigenous Urea	40000.00	23730.00
Imported Urea	15100.00	3107.87
Indigenous P&K Fertilizers	12000.00	10358.41
Imported P&K Fertilizers	6999.99	6159.95
City Compost	0.01	0.00

(b) : The cost of urea imported during the financial year 2015-16 is US$ 2087.61 million. During this period, investment for two new gas based urea ammonia plants have been finalized − one by Chambal Fertilizers & Chemical Limited (CFCL) for setting up 1.34 million metric tonne of urea per annum capacity with an estimated investment of approximately Rs.5940 crores at Gadepan (Kota, Rajasthan) and another by Ramgundam Fertilizers & Chemical Limited (RFCL), a joint venture of NFL, EIL & FCIL for setting up of 1.27 million metric tonne of urea per annum capacity with an estimated investment of approximately Rs.5254.28 crores at Ramagundam (Telangana). In addition, some of the manufacturers have made sundry investments for revamp, upgradation and conversion of existing urea units.

(c) : No madam. There is no such proposal.

(d) : Yes, It is proposed to introduce on a pilot basis in few districts.

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